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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Aftermath of PresidentQs Speech in Cairo

Key stories in the media:

Nearly all media led with President ObamaQs speech at Cairo University yesterday. Maariv bannered: QA New AgeQ. Yediot led with an interview that the President granted to the dailyQs senior commentator Nahum Barnea as part of a roundtable that included six senior journalists from the Muslim world: Obama was quoted as saying

that QNetanyahu can deliver concessions that the Left will find hard to pass over.Q The eye-catching banner of HaQaretz (Hebrew Ed.) is an excerpt from the PresidentQs address in which he underlines the necessity for Israel to stop settlement construction. HaQaretz (English Ed.) bannered: QU.S. Moves to Ease Tensions with Israel after ObamaQs Cairo Speech.Q The Jerusalem Post bannered: QAs Obama Offers Muslims Qa New Beginning,Q Israel Gives a Wary Pledge to Play Its Part.Q Globes bannered: QObama: No to the Settlements and to Hamas Violence.

Media quoted the GOIQs official response: Q"President Obama's important speech in Cairo will lead to a new period of reconciliation between the Arab and Muslim world and the State of Israel. We share President Obama's hope that the American effort will inaugurate a new era that will result in an end to the conflict and in pan-Arab recognition of Israel as the State of the Jewish people, which lives in security and peace in the Middle East. Israel is committed to peace and will assist as much as it can in broadening the circle of peace, while taking into account its national interests, first and foremost, its security." HaQaretz and other media reported that, behind closed doors, Netanyahu and his aides adopted a Qsomewhat different tone.Q While expressing satisfaction with Obama's call to the Arab states to recognize Israel and move ahead with normalization, as well as the emphasis on the strong ties between Israel and the U.S., they expressed disappointment with Obama's message regarding Iran and its nuclear ambitions. HaQaretz quoted sources close to Netanyahu as saying that, contrary to expectations, Obama did not reiterate the statements he had made in the past about the need to prevent Iran from acquiring nuclear arms, or about the need to reevaluate the nature of dialogue between Washington and Tehran by the end of 2009. Yediot quoted sources close to the PM as saying that, in fact, Obama has made peace with the fact that Iran is to become a nuclear power. Yediot reported that one senior Israeli government source defined ObamaQs words as a Qchildish and naove approach.Q HaQaretz also quoted sources in the Prime Minister's bureau as saying that the tensions with the U.S. over settlements had been aggravated by the Cairo speech. "There will be no agreement on this unless the Americans soften their stance, " HaQaretz quoted a source close to Netanyahu as saying. Maariv cited an internal Foreign Ministry document as saying that the speech was harsh toward Israel. Nevertheless, a senior White House official told HaQaretz that "there is no crisis with Israel. We are working together with the Israelis in order to reach agreements and understandings regarding settlement construction and we will succeed in doing so." The senior official added that the response of Netanyahu's bureau to the speech showed that "Israel understands that President Obama is trying to further peace in the region. Their response shows that there is a good will and readiness to work together. A way must be found to progress on the peace process, but we must emphasize that the President has made clear to the Arab and Muslim world that the bond between the U.S. and Israel is powerful and will not be broken." Similarly, The Jerusalem Post reported that a senior U.S. administration official told the newspaper yesterday that Washington feels that an Qarrangement that worksQ can be hammered out with Israel on the settlement issue, indicating that the U.S. recognizes some wiggle room in defining a Osettlement freeze. O Yediot quoted an aide to Netanyahu as saying that QObama did not hit Israel on the head with a baseball bat.

Israel Radio quoted Deputy FM Danny Ayalon as saying, after meeting U.S. administration officials and members of Congress in Washington, that Israel will honor the international agreements it signed and that he believes that the tensions with the U.S. administration will fade away. However, Ayalon said that Israel will not give up Qnatural growthQ building in the settlements. Concerning the Qtwo-stateQ solution, Ayalon said that Israel did not reject any form of solution but that it was first necessary to see what could be received from the other side, instead of only what Israel could provide.

Media quoted settlers as saying that they cannot uprooted from the homes in which they have lived for decades and that they do not accept the notion of denying their need to expand due to natural growth.

Media cited the RightQs dissatisfaction over the PresidentQs tying the Holocaust with the PalestiniansQ suffering. The Jerusalem Post

cited the disappointment of some U.S. Jewish leaders over the PresidentQs comments on Iran.

Leading media reported that Strategic Affairs Minister Moshe YaQalon will travel to Washington on Saturday for meetings with U.S. officials.

Maariv reported that the PA security forces have informed the Israeli defense establishment that they intend to bring in 50 unarmed armored personnel carriers from Jordan -- a gift from Russia -- over the next few weeks. The newspaper quoted an Israeli defense source as saying that they will be able to move only in cooperation with the IDF.

HaQaretz cited a World Bank report issued yesterday that the massive aid for Gaza and the West Bank has had little effect, as economic growth and development continues to be stymied by Israeli restrictions on Palestinian trade and movement. The report was published ahead of the donor countries conference.

Yediot printed the results of a Dahaf/Mina Zemach poll (taken before the speech):

QShould Netanyahu give in to ObamaQs demands, or reject them even at the cost of sanctions?Q He should give in: 56%. He should not give in: 40%.

QShould Israel agree to the establishment of a Palestinian state as part of a peace agreement?Q Yes: 55%; no: 41%.

QIs ObamaQs policy good for Israel?Q No: 53%; yes: 26%.

Aftermath of PresidentQs Speech in Cairo:

# Block Quotes:

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### ¶I. "A Double New Start"

The independent, left-leaning Ha'aretz editorialized (6/5): QMany in the [Israeli] public would like to consider the speech mere lip service to the Arab and Muslim countries, at the expense of Israel. On the other hand, there will be many on the Arab and Muslim side who will celebrate a victory of their QrighteousnessQ over Israel's, and consider the speech an achievement and a strategic change in the direction that the American iceberg is taking. However, both sides would make a historic error if they allow Obama's superb rhetoric to sink and become a footnote in their wrangling. Because it was not only before Islam and the West, but also, perhaps mostly, before Israel, the Palestinians, and the Arabs, that an opportunity for a new beginning was laid out in Cairo yesterday. Without threats or force came an American promise and commitment to serve as a guiding light, and to encourage and cultivate the diplomatic process. The government of Israel, like that of the Palestinians, has no right to ignore this opportunity and place it in the drawer alongside all the other missed opportunities. The price of missing out will not be measured in the quality of relations with Washington, but in human lives.

### II. "The Speech of Our Lives"

Columnist and former Meretz Party Chairman Yossi Sarid wrote in Ha'aretz (6/5): QObama yesterday offered a broad, world-embracing vision, one more seminal and sweeping than pundits had predicted. It encompassed more than Iraq and Iran, Pakistan and Afghanistan, and the Israeli-Palestinian conflict. The new American President traveled to this region to call an end to the clash of civilizations, which had blown new wind into the tattered sails of the old cold warriors.

Former Mossad Director Ephraim Halevy wrote in the conservative, independent Jerusalem Post (6/5): QWhat the President was doing for the very first time was not extending a hand to Hamas, but telling them Qyou are a factor in the situation.Q That Hamas has a role in unifying the Palestinian people. In other words, without Hamas, there is no Palestinian unity, and without Palestinian unity, there can be no Palestinian state: You cannot build a state upon a national movement that is hopelessly divided, split down the middQ. This is the first hint of what might come, a straw in the wind. Hamas will treat this as a significant step taken by the United States toward it. There was recognition in the address that the Palestinians currently do not have the necessary institutions that serve a people.

# IV. QGreat Expectations

The Jerusalem Post editorialized (6/5): Q[In parts of his speech,] Obama's moral equivalency was disconcerting. Undeniably, Palestinians have endured dislocation — but it would have been courageous of the President to say that much of this pain has been self-inflicted, thanks to 60 years of intransigence. He was right to remind the Arab states that their peace initiative was only an Qimportant beginning.Q And we were gratified when he insisted Hamas end its violence, recognize past agreements, and accept Israel's right to exist. But we cringed when he associated the Palestinian struggle with the U.S. civil rights movement and with the campaign for majority rule in South Africa — even if the punch-line of this false analogy was: Terrorism is always unjustifiable. We were braced for his reiteration of long-standing U.S. policy against the settlement enterprise. But he missed a crucial opportunity to prepare the Arabs for territorial compromise. No Israeli government is going to pull back to the hard-to-defend 1949 Armistice Lines.

#### ¶V. "Everybody Got Spanked"

Chief Economic Editor and senior columnist Sever Plotker wrote in the mass-circulation, pluralist Yediot Aharonot (6/5): QThe Middle East choir of hypocrites responded to [ObamaQs] speech in its traditional, twisted manner: disregard of everything that is inconvenient and sycophancy towards everything that is not. But Barack Obama is not only a great speaker who is always to the point and in control. Obama is also the great communicator. He is a statesman of a new kind: no friendly slaps on the back, no laughs, and no games. Therefore his first Middle East test is not to be liked by the moderate Muslim world. That would be easy. His test lies in his ability to cause the regionQs leaders and opinion shapers to speak truthfully, to recognize the truth, to confront the truth head on -- to change fundamentally. Obama will not let up on the Middle East because he is personally committed to bringing about a new order in the region. Today he expects -- and tomorrow he will demand -- that we will act and then listen [a play on a biblical phrase when the Israelites accepted GodQs order]. A topsy-turvy order of things, to listen and then to act, has not succeeded in the region until now.

# VI. "The BrokerQs Dream"

Diplomatic correspondent Ben Caspit wrote in the popular, pluralist Maariv (6/5): QIt was a breathtaking speech, delivered perfectly, sometimes even touching, and it contained everything that a speech should contain. Nevertheless, the speech will not leave behind any special historical landmarks, because it did not contain any. Obama, as analyzed yesterday in an official Foreign Ministry document, Qapplied a conciliatory approach (although not an apologetic one), but nonetheless did not shy away from placing a mirror before his audience in all matters concerning civil rights, democracy, freedom of religion and the status of womenQ.... Israel watched Obama fearful and crouched in a corner. Official Israel that is. JerusalemQs response was feeble and lacking in imagination, as anticipated. Yeah sure, eternal peace is on its way, one could almost hear Netanyahu mumble from under [far-Right Israeli politician] Yaakov KatzQs moustache.

# VII. "The High Commissioner"

Military correspondent Alex Fishman wrote in Yediot Aharonot (6/5): QNext week the Qhigh commissioner,Q George Mitchell, is to return. But this time he is not coming alone. He will be arriving with a

whole organization aimed at executing Barack ObamaQs policies for the Middle East. The presidential bulldozer has started work. prior to his visit to the United States, [Ehud] Barak had plans to slow down the pace of the tracks and have these comply with the requirements of the coalition, there was really never any chance of this happening. Before leaving, the Defense Minister gave orders to Central Command to draft a plan which would include conspicuous components aimed at easing the daily lives of the Palestinians, but the most creative idea that the army was able to fabricate was a plan to remove four or five roadblocks, out of which it was able to implement -- in the course of BarakQs visit -- two. The Americans refused to be impressed by this profound gesture. In ObamaQs Washington this is not the language they speak. In the inner chambers Barak began hearing the new background music: QThe two previous administrations failed in resolving the Middle East conflict your way. WeQre going to go at it with a new approach, and youQre welcome to join.Q No one in the American capital will say this directly for the record, for the sake of courtesy, so as not to offend previous presidents, but after a short visit there even a deaf man could catch the tune. QWho Is Paying for the Party?

Editor Peter Lukimson wrote on the front page of in popular, pluralist Russian-language Novosty Nedely (6/4): QAn attempt to improve relations at least with some Arab countries is very important for the U.S.... The real question is what exactly would be the way Barack Hussein Obama is going to achieve reconciliation?.... The U.S. is no longer interested in calling for human and civil rights in the [Arab] countries; it is actually ready to allow the ruling regimes to do whatever they decide with their people.... The scariest part [of the reconciliation] is that Obama picked Israel to play the role of a sacrificial lamb, which he is ready to sacrifice for the sake of friendship with Arab leaders and eat [the lamb, while] sitting at the same table with them.... Obama became the most unfriendly President towards Israel during the entire course of U.S.-Israel relations. Probably no other U.S. president has twisted the arms of Israel as Obama and his administration have.

MORENO